

**ASSEMBLY BILL**

**No. 1575**

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**Introduced by Assembly Member Richardson**

February 23, 2007

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An act to amend Section 3068 of the Civil Code, relating to vehicle liens.

LEGISLATIVE COUNSEL'S DIGEST

AB 1575, as introduced, Richardson. Vehicle liens.

Existing law provides that every person has a lien dependent upon possession for the compensation to which the person is legally entitled for making repairs or performing labor upon, and furnishing supplies or materials for, and for the storage, repair, or safekeeping of, and the rental of parking space for, any vehicle subject to registration, as specified. A lienholder must obtain authorization to conduct a lien sale for a vehicle with a value determined to be over \$4,000. Existing law provides that the portion of the lien in excess of \$750 for any work or services, or the amount in excess of \$400 for any storage, safekeeping, or rental of parking space, or in excess of \$500 for storage or safekeeping if an application for authorization to conduct a lien sale has been filed, rendered or performed at the request of any person other than the legal owner or lessor is invalid unless prior to commencing any work, services, storage, safekeeping, or rental of parking space, the person claiming the lien gives actual notice in writing, as specified, to the legal owner named in the registration certificate and the written consent of the legal owner is obtained before those services are performed.

This bill would increase those amounts from \$750 to \$2,500, from \$400 to \$1,000, and from \$500 to \$1,250, respectively.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 3068 of the Civil Code is amended to  
2     read:  
3     3068. (a) Every person has a lien dependent upon possession  
4     for the compensation to which the person is legally entitled for  
5     making repairs or performing labor upon, and furnishing supplies  
6     or materials for, and for the storage, repair, or safekeeping of, and  
7     for the rental of parking space for, any vehicle of a type subject to  
8     registration under the Vehicle Code, subject to the limitations set  
9     forth in this chapter. The lien shall be deemed to arise at the time  
10    a written statement of charges for completed work or services is  
11    presented to the registered owner or 15 days after the work or  
12    services are completed, whichever occurs first.  
13    (b) (1) Any lien under this section that arises because work or  
14    services have been performed on a vehicle with the consent of the  
15    registered owner shall be extinguished and no lien sale shall be  
16    conducted unless either of the following occurs:  
17    (A) The lienholder applies for an authorization to conduct a lien  
18    sale within 30 days after the lien has arisen.  
19    (B) An action in court is filed within 30 days after the lien has  
20    arisen.  
21    (2) A person whose lien for work or services on a vehicle has  
22    been extinguished shall turn over possession of the vehicle, at the  
23    place where the work or services were performed, to the legal  
24    owner or the lessor upon demand of the legal owner or lessor, and  
25    upon tender by the legal owner or lessor, by cashier's check or in  
26    cash, of only the amount for storage, safekeeping, or parking space  
27    rental for the vehicle to which the person is entitled by subdivision  
28    (c).  
29    (3) Any lien under this section that arises because work or  
30    services have been performed on a vehicle with the consent of the  
31    registered owner shall be extinguished, and no lien sale shall be  
32    conducted, if the lienholder, after written demand made by either  
33    personal service or certified mail with return receipt requested by  
34    the legal owner or the lessor to inspect the vehicle, fails to permit  
35    that inspection by the legal owner or lessor, or his or her agent,

1 within a period of time not sooner than 24 hours nor later than 72  
2 hours after the receipt of that written demand, during the normal  
3 business hours of the lienholder.

4 (c) The lienholder shall not charge the legal owner or lessor any  
5 amount for release of the vehicle in excess of the amounts  
6 authorized by this subdivision.

7 (1) That portion of the lien in excess of ~~seven hundred fifty~~  
8 ~~dollars (\$750)~~ *two thousand five hundred dollars (\$2,500)* for any  
9 work or services, or that amount in excess of ~~four hundred dollars~~  
10 ~~(\$400)~~ *one thousand dollars (\$1,000)* for any storage, safekeeping,  
11 or rental of parking space or, if an application for an authorization  
12 to conduct a lien sale has been filed pursuant to Section 3071 within  
13 30 days after the commencement of the storage or safekeeping, in  
14 excess of ~~five hundred dollars (\$500)~~ *one thousand two hundred*  
15 *fifty dollars (\$1,250)* for any storage or safekeeping, rendered or  
16 performed at the request of any person other than the legal owner  
17 or lessor, is invalid, unless prior to commencing any work, services,  
18 storage, safekeeping, or rental of parking space, the person claiming  
19 the lien gives actual notice in writing either by personal service or  
20 by registered letter addressed to the legal owner named in the  
21 registration certificate, and the written consent of that legal owner  
22 is obtained before any work, services, storage, safekeeping, or  
23 rental of parking space are performed.

24 (2) If any portion of a lien includes charges for the care, storage,  
25 or safekeeping of, or for the rental of parking space for, a vehicle  
26 for a period in excess of 60 days, the portion of the lien that accrued  
27 after the expiration of that period is invalid unless Sections 10650  
28 and 10652 of the Vehicle Code have been complied with by the  
29 holder of the lien.

30 (3) The charge for the care, storage, or safekeeping of a vehicle  
31 which may be charged to the legal owner or lessor shall not exceed  
32 that for one day of storage if, 24 hours or less after the vehicle is  
33 placed in storage, a request is made for the release of the vehicle.  
34 If the request is made more than 24 hours after the vehicle is placed  
35 in storage, charges may be imposed on a full, calendar-day basis  
36 for each day, or part thereof, that the vehicle is in storage.

37 (d) In any action brought by or on behalf of the legal owner or  
38 lessor to recover a vehicle alleged to be wrongfully withheld by  
39 the person claiming a lien pursuant to this section, the prevailing

- 1 party shall be entitled to reasonable attorney's fees and costs, not
- 2 to exceed one thousand seven hundred fifty dollars (\$1,750).

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